

Message Text

CONFIDENTIAL

PAGE 01 MOSCOW 13975 01 OF 02 161749Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 COME-00 CIAE-00 DODE-00
INR-10 NSAE-00 PA-01 ICA-11 SP-02 PM-05 NSC-05
SS-15 L-03 H-01 CA-01 HA-05 SCS-06 SY-05 /091 W
-----103139 161859Z /45
P 161725Z JUN 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC PRIORITY 3234
INFO AMCONSUL LENINGRAD

C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 13975

E.O. 11652: GDS
TAGS: BGEN, UR, CASC
SUBJECT: CRAWFORD ARREST; U.S. BUSINESSMEN MEET IN
MOSCOW

1. U.S. BUSINESSMEN RESIDENT IN MOSCOW MET AT U.S.
COMMERCIAL OFFICE ON JUNE 14 FOR FIRST IN SERIES OF
REGULARLY SCHEDULED LUNCHEONS TO DISCUSS BUSINESS
FACILITATION QUESTIONS AND OTHER ITEMS OF MUTUAL
INTEREST. ALTHOUGH LUNCHEON HAD BEEN PLANNED SINCE
MID-MAY, CENTRAL TOPIC OF DISCUSSION TURNED NATURALLY
ON EVENTS AND IMPLICATIONS OF INTERNATIONAL-HARVESTER
REP F. JAY CRAWFORD'S DETENTION AND ARREST BY SOVIET
POLICE JUNE 12. DCM PROVIDED GROUP WITH RESUME OF FACTS
SURROUNDING INCIDENT AND ANSWERED QUESTIONS. IN RESPONSE
TO REQUEST FOR ADVICE, DCM SUGGESTED THAT IF INCIDENT
CAUSED THEM CONCERN, IT WOULD BE APPROPRIATE FOR THEM
TO LET THEIR SOVIET CONTACTS KNOW THIS.

2. BUSINESS REACTION: AS REPORTED IN PRESS BASED ON
SEVERAL BUSINESSMEN'S COMMENTS IMMEDIATELY FOLLOWING
MEETING, LUNCHEON COMMENTARY CLEARLY MANIFESTED DEEP
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MOSCOW 13975 01 OF 02 161749Z

CONCERN AND WORRY ON PART OF RESIDENT REPS OF U.S.
COMPANIES OVER SIGNIFICANCE OF CRAWFORD INCIDENT AND ITS
POSSIBLE IMPACT ON THEIR OWN FUTURES. FLURRY OF QUESTIONS
DIRECTED AT EMBASSY OFFICERS AFTER DCM'S DEPARTURE
INDICATED VARIOUS LEVELS OF CONCERN - FROM MILD TO VERY
SERIOUS - AND SEVERAL DIFFERING ATTITUDES ON HOW BEST TO
APPROACH THE PROBLEM. ONE REP (PULLMAN) PROPOSED THAT

MEETING SHOULD RESULT IN CLEAR CONSENSUS FOR ACTION. OTHERS (INCLUDING CATERPILLAR, BANK OF AMERICA, ALLIS-CHALMERS) FELT THEY HAD TO CONSULT HOME OFFICE FOR GUIDANCE. ONE REP (COOPER INDUSTRIES) SAID THAT AS FAR AS HE WAS CONCERNED HE WOULD RECOMMEND IN STRONGEST TERMS TO HIS FIRM THAT NO MORE COMPANY TECHNICIANS OR SPECIALISTS BE SENT TO PROJECT SITES IN USSR UNTIL CRAWFORD RELEASED AND SITUATION CLARIFIED. SEVERAL BUSINESSMEN ASKED SENIOR V.P. O'BRIEN OF US/USSR TRADE AND ECONOMIC COUNCIL'S MOSCOW OFFICE FOR STATEMENT ON COUNCIL'S POSITION. O'BRIEN'S RESPONSE WAS THAT HE COULD NOT THEN SAY WHAT COUNCIL'S POSITION WOULD BE. COUNCIL WAS, HE EXPLAINED, A "FIFTY-FIFTY" ORGANIZATION WHICH "MADE THINGS TOUGH." BUT HE WOULD CHECK WITH COUNCIL IN NEW YORK ON MATTER AND HOPED TO HAVE A POSITION SOON. SATRA REP ASKED WHETHER THERE WAS ANYONE IN ROOM NOT CONCERNED OVER MATTER. FINDING NONE, HE SUGGESTED AT A MINIMUM THAT THAT FACT COULD BE RELAYED TO INDIVIDUAL FIRMS' HEADQUARTERS. FINALLY, ASKED WHAT FOREIGN BUSINESS REACTION TO CRAWFORD ARREST HAD BEEN, EMBASSY OFFICERS REPORTED THAT THEY WERE NOT AWARE OF ANY SO FAR

3. PLAN OF ACTION: FIRM REPS AGREED TO BE IN TOUCH IMMEDIATELY WITH THEIR HOME OFFICES IN U.S. FOR GUIDANCE. THEY WILL MEET AGAIN IN USCO ON TUESDAY, JUNE 20, AT 0800 TO DISCUSS POSSIBLE NEXT STEPS WITH CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MOSCOW 13975 01 OF 02 161749Z

VIEW TO FORMULATING SOME SORT OF COMMON DEMARCHE TO SOVIETS ON CRAWFORD'S BEHALF (FYI: EMBASSY IS AWARE THAT AT LEAST THREE OF ASSEMBLED BUSINESSMEN HAVE REPORTED RESULTS OF MEETING TO THEIR HEADQUARTERS URGING THAT HARD LINE BE TAKEN ON CRAWFORD INCIDENT -- BANK OF AMERICA, ALLIS-CHALMERS AND IBM. IBM REPRESENTATIVE HAS SINCE INFORMED US THAT RESPONSE FROM HIS HEADQUARTERS WAS THAT IT WILL TAKE APPROPRIATE ACTION IN U.S., BUT INSTRUCTED HIM TO "KEEP A LOW PROFILE" ON MATTER IN MOSCOW. END FYI)

4. COMMENT: ALTHOUGH IT IS UNLIKELY THAT EVERY FIRM WITH AN ACCREDITED OFFICE IN MOSCOW WILL AGREE TO TAKING A PUBLIC STAND ON CRAWFORD INCIDENT IN SUPPORT OF CALLS FOR HIS EARLY RELEASE, IT IS A GOOD BET THAT SOME WILL. THIS REACTION, IF ANY, MAY COME FROM HOME OFFICES, HOWEVER, BECAUSE OF ELEMENT OF FEAR AND RISK OF ANTAGONIZING SOVIET AUTHORITIES. EMBASSY HAS AVOIDED ASSUMING AN ADVOCACY ROLE IN ADVISING BUSINESS COMMUNITY. AT JUNE 14 MEETING WE WERE ASKED BY SEVERAL CONCERNED BUSINESSMEN FOR RECOMMENDATIONS ON HOW BEST TO PROCEED, AND WE STRESSED THAT GROUP SHOULD COME TO ITS

OWN DECISIONS ON WHAT COURSE TO TAKE, EITHER AS A
COLLECTIVE OR AS INDIVIDUAL FIRMS. IN THIS
CONNECTION, EMBASSY SUGGESTS THAT DEPARTMENT MAY WISH TO
CONSIDER, IN CONSULTATION WITH COMMERCE, BRIEFING FORMER
VICE PRESIDENT OF INTERNATIONAL HARVESTER, ROBERT J.
MCMENAMIN, WHO SERVES IN RETIREMENT AS CHAIRMAN OF
ADVISORY COMMITTEE ON EAST-WEST TRADE.
MCMENAMIN KNOWS CRAWFORD PERSONALLY AND, IN
FACT, HAD ROLE IN HIRING HIM FOR MOSCOW JOB.

5. SHOULD DEPARTMENT HAVE COMMENTS ON BUSINESS REACTION

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MOSCOW 13975 02 OF 02 161749Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 COME-00 CIAE-00 DODE-00
INR-10 NSAE-00 PA-01 ICA-11 SP-02 PM-05 NSC-05
SS-15 L-03 H-01 CA-01 HA-05 SCS-06 SY-05 /091 W
-----103152 161900Z /45

P 161725Z JUN 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC PRIORITY 3235
INFO AMCONSUL LENINGRAD

C O N F I D E N T I A L SECTION 02 OF 02 MOSCOW 13975

IN U.S. WE WOULD BE PLEASED TO HAVE THEM BY COB,
JUNE 19. MATLOCK

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESSMEN, MEETINGS, SOCIAL RECEPTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MOSCOW13975
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780252-0589
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780650/aaaabrqq.tel
Line Count: 155
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cccf5087-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2322573
Secure: OPEN
Status: NATIVE
Subject: CRAWFORD ARREST; U.S. BUSINESSMEN MEET IN MOSCOW
TAGS: BGEN, CASC, EIND, UR
To: STATE
Type: TE
vdkgvwkey: odbs://SAS/SAS.dbo.SAS_Docs/cccf5087-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014